

1 CAMPEAU GOODSSELL SMITH, L.C.
SCOTT L. GOODSSELL, #122223
2 GREGORY J. CHARLES, #208583
WILLIAM J. HEALY, #146158
3 440 N. 1st Street, Suite 100
San Jose, California 95112
4 Telephone: (408) 295-9555
Facsimile: (408) 295-6606

5 ATTORNEYS FOR
6 Plaintiff HSR General
Engineering Contractors, Inc.
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8 UNITED STATES BANKRUPTCY COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10

11 In re:) Case No. 10-58737
12 HSR GENERAL) CHAPTER 11
ENGINEERING CONTRACTORS, INC.,)
13)
14 Debtor.)

15) Adversary Proceeding
HSR GENERAL)
16 ENGINEERING CONTRACTORS, INC.,) No.
17 Plaintiff,)
18 v.)
19 SAFECO INSURANCE COMPANIES,)
20 Defendant.)

21 **COMPLAINT TO AVOID PREFERENTIAL TRANSFERS**

22 Plaintiff HSR GENERAL ENGINEERING CONTRACTORS, INC., Debtor-In-Possession
23 (“Debtor”) alleges as follows:

24 **NATURE OF CASE And JURISDICTION**

25 1. On August 23, 2010, a voluntary bankruptcy petition was filed by Debtor commencing
26 this Chapter 11 bankruptcy (“Bankruptcy Case”). Pursuant to 11 U.S.C. 1106 and 1203 Debtor
27 stands in the shoes of a trustee.
28

1 2. The Court has jurisdiction over this adversary proceeding under 28 U.S.C. Section 151,
2 157 (b)(2), and 1334, and under Rule 5011-1 of the Bankruptcy Local Rules of The Northern
3 District of California.

4 3. The claims and causes of action set forth herein concern the determination, allowance,
5 disallowance, and amount of claims under 11 U.S.C. Sections 502, 547, 548, and 550. This
6 adversary proceeding is a core proceeding under 28 U.S.C. Section 157 (b)(2)(A)
7 and (F), (H), and (O).

8 4. Venue is proper under 28 U.S.C. Section 1409.

9 5. Plaintiff is informed and believes that SAFECO INSURANCE COMPANIES
10 (“Safeco”) is an entity of unknown form and origin, did and does business within this Court’s
11 jurisdiction, with a principal place of business at 4333 Brooklyn Ave. NE, Seattle, WA 98185.

12 6. On or within 90 days of the commencement of this Bankruptcy Case, the following
13 transfers (“Transfers”) were made:

14 a) On May 26, 2010, Defendant Safeco recorded a UCC Financing Statement against
15 Debtor (10-7233237705).

16 **FIRST CLAIM FOR RELIEF**
17 **(Avoidance and Recovery of Preferential Transfers)**
18 **11 U.S.C. 547**

19 7. Plaintiff realleges and incorporates herein the allegations set forth in Paragraphs 1
20 through 6, inclusive, as though fully stated herein.

21 8. Plaintiff alleges that the Transfers identified in Paragraph 7 above were made to or
22 for the benefit of a creditor; for or on account of an antecedent debt owed by the Debtor before such
23 transfers were made; made while the Debtor was insolvent; made on or within 90 days before the
24 date of the filing of the petition; and enables such creditors to receive more than such creditors
25 would receive if the case were a case under chapter 7 of this title, the transfers had not been made,
26 and such creditors received payment of such debt to the extent provided by the provisions of the
27 Bankruptcy Code.

28 9. During the course of this proceeding, Plaintiff may learn through discovery or
otherwise of additional transfers made to Defendant which may be subject to this proceeding. It is

1 Plaintiff's intention to avoid and recover all transfers made by Debtor of an interest in the Debtor's
2 property and to or for the benefit of the Defendant or some other transferee. Plaintiff reserve the
3 right to amend the complaint to include, as necessary, further information regarding the Transfers,
4 additional Transfers, modifications of and/or revisions of or to Defendant's name, additional
5 defendants, and/or additional causes of action, not exclusively pursuant to the same sections as
6 hereinabove cited, that may become known to Plaintiff at any time during this proceeding and for
7 such amendments to relate back to this original complaint.

8 WHEREFORE, Plaintiff prays for judgment as set forth below.

9 **REQUEST FOR RELIEF**

10 Plaintiff requests judgment as follows:

11 A. On the first claim for relief, for a judgment against the Defendant Safeco avoiding the
12 Transfers identified in Paragraph 7 above as they relate to Defendant Safeco under 11 U.S.C.
13 Section 547 (b) and preserving those Transfer for the benefit of the estate under 11 U.S.C. Section
14 551;

15 B. For costs of suit herein; and

16 C. For such further relief the Court deems proper.

17 Dated: September 1, 2010

CAMPEAU GOODSELL SMITH

18 By: /s William J. Healy

19 William J. Healy
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